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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

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COMMISSIONERS

KRISTIN K. MAYES, Chairman  
GARY PIERCE  
PAUL NEWMAN  
SANDRA D. KENNEDY  
BOB STUMP

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AZ CORP COMMISSION  
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION OF  
PAYSON WATER COMPANY ON BEHALF  
OF ITS MESA DEL CABALLO SYSTEM FOR  
APPROVAL OF A WATER AUGMENTATION  
SURCHARGE/EMERGENCY RATE TARIFF.

DOCKET NO. W-03514A-10-0116

IN THE MATTER OF THE NOTICE OF FILING  
OF PAYSON WATER COMPANY'S PROPOSED  
CHANGES TO ITS CURTAILMENT TARIFF  
(MESA DEL CABALLO SYSTEM).

DOCKET NO. W-03514A-10-0117

PROCEDURAL ORDER

BY THE COMMISSION:

On March 31, 2010, Payson Water Company on behalf of its Mesa Del Caballo System ("PWC," "Applicant," "Company" or "MDC") filed with the Arizona Corporation Commission ("Commission") an application for the emergency implementation of a surcharge or emergency rate tariff due to water shortages on its MDC System. The Company claims that it can no longer augment the water supply for its MDC System and asserts that, in 2009, the Company absorbed \$59,137 in water hauling costs for the MDC System. The Company seeks a monthly surcharge/emergency rate tariff to be charged per 1,000 gallons of water for customers on the MDC System in order to offset the costs of hauling water. The Company is investigating two options to solve its water shortages on the MDC System in the following manner: by drilling a new deep well to serve MDC; or by connecting to the future C.C. Cragin Reservoir pipeline that will serve the City of Payson ("City").

Concurrently with the aforementioned application, the Company also filed an application for proposed changes to its Curtailment Tariff for its MDC System.

On April 5, 2010, the Company filed a Motion to Consolidate ("Motion") the above-captioned applications because the two matters are interrelated and could best be addressed by the Commission in one proceeding. There have been no objections filed to the Company's Motion.

1 On April 22, 2010, by Procedural Order, the above-captioned applications were consolidated  
2 and the matter was set for hearing on May 18, 2010,

3 On April 28, 2010, the Mesa Del Water Committee ("MDWC") filed a Motion to Intervene

4 The Company has indicated that it has no objections and accordingly, MDWC should be  
5 granted intervention.

6 IT IS THEREFORE ORDERED that MDWC is hereby granted intervention.

7 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized  
8 Communications) applies to this proceeding as the matter is now set for public hearing.

9 IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules of  
10 the Arizona Supreme Court and A.R.S. § 40-243 with respect to practice of law and admission *pro hac*  
11 *vice*.

12 IT IS FURTHER ORDERED that consistent with Rule 31 of the Rules of the Arizona Supreme  
13 Court, a non-profit organization may be represented by a corporate officer, employee, or a member  
14 who is not an active member of the state bar if: (A) the non-profit organization has specifically  
15 authorized the officer, employee, or member to represent it in the particular matter; (B) such  
16 representation is not the person's primary duty to the non-profit organization, but is secondary or  
17 incidental to such person's duties relating to the management or operation of the non-profit  
18 organization; and (C) the person is not receiving separate or additional compensation (other than  
19 reimbursement for costs) for such representation. Notwithstanding the foregoing provisions, the  
20 Commission or presiding officer may require counsel in lieu of lay representation whenever it  
21 determines that lay representation is interfering with the orderly progress of the proceeding, imposing  
22 undue burdens on the other parties, or causing harm to the parties represented.

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1 IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive  
2 any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

3 DATED this 30<sup>th</sup> day of April, 2010.

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MARC E. STERN  
ADMINISTRATIVE LAW JUDGE

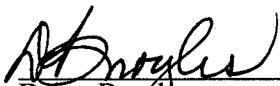
8 Copies of the foregoing mailed/delivered  
9 this 30<sup>th</sup> day of April, 2010 to:

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14 Attorneys for Payson Water Company

15 MESA DEL WATER COMMITTEE  
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27 By:   
28 Debra Broyles  
Secretary to Marc E. Stern